Remarks

Claims 1-28 are pending. Entry of the amendment is respectfully requested. No new matter has been added. Reconsideration is respectfully requested.

Application Status

Claims 2 and 4 were rejected pursuant to 35 U.S.C. § 112, second paragraph.

Claims 1 and 5-6 were rejected pursuant to 35 U.S.C. § 102(b) over Graef (4,494,747).

Claims 1-4 and 28 were rejected pursuant to 35 U.S.C. § 102(b) over Swartzendruber.

Claims 1, 7-10, 14-21, and 23 were rejected pursuant to 35 U.S.C. § 102(b) over Beskitt.

Claims 11-13 were rejected pursuant to 35 U.S.C. § 103(a) over Beskitt in view of Peters.

Claim 22 was rejected pursuant to 35 U.S.C. § 103(a) over Beskitt in view of Graef (6,783,061).

Claims 24-27 were newly rejected pursuant to 35 U.S.C. § 103(a) over Beskitt and Force.

Request For Withdrawal Of Premature Final Rejection

Applicants respectfully submit that the Final rejection should be withdrawn as it is legally improper. For example, a new ground of rejection was applied against non amended claims 26-27 and the rejection was made Final. The Action (at page 3, lines 1-2) admits that the rejection to claims 26-27 is new. Applicants' Response filed January 19, 2006 did not contain any amendment to claims 26-27. Thus, Applicants could not have necessitated a new ground of rejection to these claims, as alleged in the Action.

MPEP 706.07(a) states:

> "Under present practice, second or any subsequent actions on the merits shall be final, except where the examiner introduces a new ground of rejection that is neither necessitated by applicant's amendment of the claims nor based on information submitted in an information disclosure statement filed during the period set forth in 37 CFR 1.97(c) with the fee set forth in 37 CFR 1.17(p)."

Applicants respectfully submit that since claims 26-27 were not amended (and remain original claims), the new ground of rejection made against these claims could not have been necessitated by amendment thereto. Furthermore, as no information disclosure statement was filed, the new ground of rejection could not have been based on information submitted in an information disclosure statement. The record shows that the conditions did not meet the legal criteria for applying a Final rejection. Therefore, the Final rejection is *prima facie* premature.

Furthermore, because of the improper finality of the rejection, Applicants have not been given fair opportunity in accordance with 37 C.F.R. 1.111 to properly rebut the Office's new ground of rejection. Applicants respectfully submit that the finality of the Office Action dated March 6, 2006 should be withdrawn.

Claims 26-27 remain original claims. Under the current conditions a Beskitt/Force rejection there against must first be applied in a non final rejection. That has not occurred. Because the Office Action dated March 6, 2006 was not non final, it is improper. Should the Office attempt to apply Beskitt/Force in any future rejection involving the non amended claims 26-27, that rejection must be non final in order to be proper.

The Amendment

The claims have been amended as suggested by the Office. Support can be found in the claims and in the Specification (e.g., page 42).

Applicants respectfully disagree with the rejections. Nevertheless, the claims were amended to advance prosecution. Applicants reserve the right to file an application (e.g., a divisional) relating to any claim.

The Reference-Based Rejections

None of the applied references, taken alone or in combination, teach or suggest moving an extra note in a reversed direction "relative to" a picked note during a movement of the picked note in the reversed direction. Applicants' remarks in the Response dated January 19, 2006 are also herein incorporated by reference.

Claim 22 is not obvious over Beskitt in view of Graef (US 6,783,061)

The Examiner (at Action page 3) requested remarks regarding the disqualification of Graef (US 6,783,061) as prior art.

Graef (US 6,783,061) does not constitute prior art to the recited invention

> This Graef application and the Graef reference (US 6,783,061) were, at the time the invention was made, owned by, or subject to an obligation of assignment, to the same entity.

Subject matter developed by another person which only qualifies as prior art under 35 U.S.C. § 102(e) is disqualified as prior art under 35 U.S.C. § 103(a) where the subject matter and the claimed invention were subject to an obligation of assignment to the same entity at the time the invention was made. 35 U.S.C. § 103(c). MPEP § 706.02(l)(1).

In accordance with 35 U.S.C. § 103(c), Graef cannot preclude patentability of the present invention. Therefore, it is respectfully submitted that Graef is disqualified as prior art in relation to the present invention with regard to 35 U.S.C. § 103(a).

Applicants "may overcome a 35 U.S.C. § 103 rejection based on a combination of references by showing completion of the invention by applicant prior to the effective date of any of the references" (MPEP § 715.02). Therefore, it is respectfully submitted that the 35 U.S.C. § 103(a) rejection of claim 22 should be withdrawn.

Claims 24-27 are not obvious over Beskitt in view of Force

The rejections of claims 24 and 26 based on Beskitt and Force are new.

Claim 24

The Action alleges that Beskitt teaches a picker (flipper 178) and a stripper (194). The Action admits that even if Beskitt's flipper (178) constituted the recited picking member as alleged, Beskitt still would not meet recited step steps (a) and (d).

Upon a doubles detection in Beskitt, the direction of the flipper (178) may be reversed, with the stripper roll (194) rotating freely in this reversed direction (col. 12, lines 35-38; col. 14, lines 22-40). This action causes the sheets (first sheet and all additional sheets) to be pulled back toward the stack (col. 14, lines 27-30) together as a unit. The Action admits that Beskitt does not teach or suggest moving an additional note relative to the first note during the pull back.

With regard to step (a), the Action relies on Force for inputting a note stack by a user. The Office does not rely on Force for step (d). Nor does Force teach or suggest step (d).

The operation in Force is similar to the operation of Beskitt. Upon a doubles detection in Force, the tray (74) is moved downward (col. 16, lines 35-41; Figure 14). The pick belt (78) is then reversed while the stripper wheels (176, 178) rotate freely in this reversed direction (col. 14, lines 42-52). This movement of the pick belt (78) pulls the sheets back toward the stack together as a unit (like in Beskitt). Force cannot alleviate the admitted deficiency in Beskitt with regard to recited step (d). Neither Beskitt nor Force, taken alone or in combination, teach or suggest the recited "relative to" feature. The Office has not established a *prima facie* case of obviousness.

Claim 26

Applicants' previous remarks regarding the patentability of claim 24 are incorporated herein by reference. Again, neither Beskitt nor Force, taken alone or in combination, teach or suggest moving an overlying note in a reversed direction "relative to" a picked note responsive to plural notes moved past a stripper. A *prima facie* case of obviousness has not been established.

Conclusion

Applicants respectfully submit that this application is in condition for allowance.

The undersigned is willing to discuss the Application by telephone at the Office's convenience.

Respectfully submitted,

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